



NOTICE TO PURCHASER OF SPECIAL TAXING OR ASSESSMENT DISTRICT

The real property that you are about to purchase is located in Harris County Municipal Utility District No. 344, of Harris County, Texas (the "District") and may be subject to district taxes or assessments. The District may, subject to voter approval, impose taxes and issue bonds. The District may impose an unlimited rate of tax in payment of such bonds. The current rate of the District property tax is \$0.615 on each \$100 of assessed valuation.

The total amount of bonds payable wholly or partly from property taxes approved by voters, excluding refunding bonds that are separately approved by the voters is \$33,000,000 for water, sewer and drainage facilities.

The aggregate initial principal amounts of all such bonds issued is \$31,760,000 for water, sewer and drainage facilities.

The District is located wholly or partly in the extraterritorial jurisdiction of the City of Houston. Texas law governs the ability of a municipality to annex property in the municipality's extraterritorial jurisdiction and whether a district that is annexed by the municipality is dissolved. The District has entered into a Strategic Partnership Agreement with the City of Houston. This agreement may address the timeframe, process, and procedures for the municipal annexation of the area of the District located in the municipality's extraterritorial jurisdiction.

The purpose of this District is to provide water, sewer, and drainage facilities and services. Subject to certain limitations, the District may also provide road, parks and recreational, and firefighting facilities and services. The cost of District facilities is not included in the purchase price of your property. The legal description of the property which you are acquiring is described in Exhibit "A" attached hereto and made a part hereof.